

The China Mail

Established February, 1845.

The China Mail

THE HONGKONG CHINESE MAIL
報字號
(Hongkong Wu Tsui Yat Po)
ISSUED DAILY.
CHUN UN MAN,
Manager and Publisher.
SUBSCRIPTION
Five Dollars per annum, payable in Advance,
Outlays, £1.00 per annum,
including postage.

PRICE, \$2 PER MONTH.

VOL. XLIX. No. 9645.

號二十月九三十九百八十一英

HONGKONG, TUESDAY, SEPTEMBER 12, 1893.

日三初月八年己癸

CHINA MAIL OFFICE.

OUR JOURNAL DEPARTMENT.
Having been REPLEN-
ISHED with a large as-
sortment of the latest ENGLISH
and AMERICAN NOVELTIES,
we are prepared to execute
orders for FANCY WORK with
neatness and despatch, and at
very moderate rates.

CHINA MAIL OFFICE.

AGENTS FOR THE CHINA MAIL.

LONDON.—P. Axam, 11 & 12, Clement's
Lane, Lombard Street, E. & G. George
Street & Co., 30, Cornhill, GORDON
& GORDON, Ludgate Hill, E.C., BATES
& HENRY, 37, Walbrook, E.C.,
SAMUEL DODSON & Co., 150 & 154,
Lauderdale Street, W. M. WILLS, 151,
Lauderdale Street, E.C., ROBERT WATSON,
150 Fleet Street.
PARIS AND EUROPE.—AMBER PRINCE,
36 Rue Lafayette, Paris.
NEW YORK.—J. STEWART HAPPE, THE
CHINESE EVANGELIST, 69, West
22d Street.
SAN FRANCISCO AND AMERICAN PORTS
generally.—BEAUM & BLACK, San Fran-
cisco.
AUSTRALIA, TASMANIA, AND NEW
ZEALAND.—GORDON & GORDON, MEL-
BOURNE AND SYDNEY.
CEYLON.—W. J. SMITH & Co., THE
APOTHECARY CO., Colombo.
SINGAPORE STRAITS, &c.—KELLY &
WAGNER, Ltd., Singapore.
CHINA.—M. A. DA CRUZ, Amoy,
N. MIRAL & Co., LIMITED, Hengchow,
Hengchow & Co., Shanghai, LANE, CRAW-
FORD & Co., and KELLY & WAGNER,
Yokohama, LANE, CRAWFORD & Co.,
and KELLY & Co.

Notices of Firms.

NOTICE.
MAN ON INSURANCE COMPANY,
LIMITED.

MR. CHAU TSEUNG FAT has been
appointed SECRETARY to the above
Company, since Mr. Woo Lin YUEN, deceased.
By Order of the Board of Directors,
川鑑 (KWAN HOI CHUEN),
Managing Director.

Hongkong, September 1, 1893. 1528

HUMPHREYS ESTATE & FINANCE
COMPANY, LIMITED.

MR. HART BUCK has been appointed
SECRETARY of the above-named
Company.

JOHN D. HUMPHREYS & SON,
Owning Directors.

Hongkong, September 7, 1893. 1570

NOTICE.

MR. HART BUCK is authorized to
show our firm for Prosecution.
JOHN D. HUMPHREYS & SON.
Hongkong, September 7, 1893. 1571

Banks.

THE NATIONAL BANK OF CHINA,
LIMITED.

AUTHORIZED CAPITAL, £1,000,000.
SUBSCRIBED CAPITAL, £600,000.

HEAD OFFICE—HONGKONG.

Directors.
D. GILLIES, Esq. H. STOUTERTON, Esq.
CHAN KEE SHAN, Esq.
C. TUNG SHANG, Esq.

KWAN HOI CHUEN, Esq.
Chief Manager.

Geo. W. F. PLAYFILL.

Branches.

LONDON, YOKOHAMA, SHANGHAI AND
AMOY.

Bankers.

THE COMMERCIAL BANK OF SCOTLAND,
PARK'S BANKING CO. AND THE ALLIANCE
BANK (LTD.)

Interest for 12 months Fixed 5%
do. 6 do. 4%
do. 3 do. 3%
Current Accounts 2%

Hongkong, May 24, 1893. 47

THE BANK OF CHINA, JAPAN,
AND THE STRAITS, LIMITED.

SUBSCRIBED CAPITAL, £2,000,000.
CAPITAL CALLED UP, £51,033.15.00.

Board of Directors.

W.M. KENNEDY, Esq., Chairman.

Adolf von Anden, Esq. F. D. SASSON, Esq.

Erbert Lyson, Esq. H. D. Stewart, Esq.

David McLean, Esq.

Hongkong Committee.

The Hon. J. J. KESWICK.

The Hon. O. P. CHATER.

H. Horowitz, Esq.

Head Office.

3, PRINCE STREET, LONDON.

Branches.

BOMBAY, CALCUTTA, HONGKONG & SHANGHAI
Agencies.

PENANG, SINGAPORE AND YOKOHAMA.

RATES OF INTEREST.

Allowed on Current Accounts and Fixed
Deposits, can be ascertained on application.

CHANTREY INCHBALD,
Manager.

Hongkong, April 10, 1893. 247

HONGKONG AND SHANGHAI
BANKING CORPORATION.

PAID-UP CAPITAL, \$10,000,000.

RESERVE FUND, \$3,000,000.

RESERVE LIABILITY OF \$10,000,000.

PROPRIETORS.

Court of Directors—

H. HOPKINS, Esq.—Chairman.

C. J. HOLLYDAY, Esq.—Deputy Chairman.

Carl Jantzen, Esq. A. McConachie, Esq.

H. H. Joseph, Esq. J. S. Morris, Esq.

Hon. J. J. Keswick, Esq. D. R. SASSON, Esq.

Julius Kramer, Esq.

Chief Manager.

Hongkong, J. T. JACKSON, Esq.

MANAGER.

Shanghai—J. P. WADE GARDNER, Esq.

London and County
BANKING CO., Ltd.

HONGKONG—INTEREST ALLOWED.

On Current Account at the rate of 2
per cent per annum on the daily balance.

On Fixed Deposits—

For 3 months 3 per cent per annum.

6 " 4 "

12 " 5 "

T. JACKSON,

Chief Manager.

Hongkong, August 10, 1893. 1591

Hongkong, September 4, 1893. 1591

Banks.

THE MERCANTILE BANK OF
INDIA, LIMITED.

AUTHORIZED CAPITAL, £1,500,000.

SUBSCRIBED, £1,125,000.

Bankers.

LONDON JOINT STOCK BANK, LTD.

Interest allowed on Current Accounts at
the Rate of 2 % per Annum on the Daily
Balance.

ON FIXED DEPOSITS—

For 12 Months, 5%.

For 6 Months, 4%.

For 3 Months, 3%.

JOHN THURBURN,
Manager, Hongkong.

Hongkong, February 4, 1893. 228

HONGKONG SAVINGS BANK.

THE business of the above Bank is con-
ducted by the HONGKONG AND
SHANGHAI BANKING CORPORA-
TION. Rules may be obtained on ap-
plication.

INTEREST on deposits is allowed at
3% per cent. per annum. Depositors
may transfer at their option balances of
£100 or more to the HONGKONG AND
SHANGHAI BANK, to be placed on
FIXED DEPOSIT at 5 PER CENT. per
annum.

For the Hongkong and Shanghai
Banking Corporation,

T. JACKSON,
Chief Manager.

Hongkong, May 15, 1893. 1515

INTIMATIONS.

HONGKONG HOTEL COMPANY,

LIMITED.

REGULAR MEETING of the above
COMPANY will be held on the 15th Septem-
ber, 1893, at 8 p.m.

At the same time the Directors will
receive a Report from the Auditor.

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Mails.

STEAM FOR
STRATS, CEYLON, AUSTRALIA,
INDIA, AFRICA, EGYPT,
MEDITERRANEAN PORTS,
PLYMOUTH AND LONDON.

Through Bill of Lading issued for BATAVIA, PERSIAN GULF, CONTINENTAL AND AMERICAN PORTS.

THE Steamship PESHAWUR, Capt. J. E. JEPHESON, carrying Her Majesty's Mails, will be despatched from this for LONDON, via BOMBAY on THURSDAY, the 14th September, at Noon, taking Passengers and Cargo for the above Ports.

Goods and Valuables, all Cargo for France, and Tea for London (under arrangement) will be transhipped at Colombo into a steamer proceeding direct to Marseilles and London; other Cargo for London, &c., will be conveyed via Bombay without transhipment.

Parcels will be received at this Office until 4 p.m. on the day before sailing. The contents and value of all packages are required.

Shippers are particularly requested to note the terms and conditions of the Company's Bills of Lading.

For further Particulars, apply to
H. H. JOSEPH,
Superintendent.

P. & O. S. N. Co.'s Office,
Hongkong, August 31, 1893. 1524

NORTHERN PACIFIC STEAMSHIP
AND RAILROAD COMPANIES.

PROPOSED SAILINGS FROM HONGKONG, 1893.

(SUBJECT TO ALTERATION).

Tacoma..... Thursday Sept. 28.
Mogul..... Thursday Oct. 19.

Victoria..... Thursday Nov. 8.

Tacoma..... Tuesday Dec. 12.

Mogul..... Tuesday Jan. 2/24.

THE Steamship TACOMA, Captain J. H. HILL, R.N.R., sailing at Noon, on THURSDAY, the 25th September, will proceed to VICTORIA, B.C., and TACOMA and SHANGHAI, BOBIS and YOKO-HAMA.

Through Bills of Lading issued to Japan, Pacific Coast Points, and to Canada and United States Points.

General Invoice of Goods for United States Points should be in quadruplicate; and one copy must be sent forward by the steamer to the care of The Freight Agent Northern Pacific Railroad, Tacoma, Wash.

Parcels must be sent to our Office with address marked in full by 6 p.m., on the day previous to sailing.

For further information as to Passage or Freight, apply to

DODWELL, GARLILL & Co.,
Agents.

Hongkong, August 20, 1893. 1514

To Let.

TO LET.

With Immediate Possession.

ONE GODOWN, No. 117, PRAYA EAST,
at Bowrington
Apply to

DORABJEE NOWROJEE,
Victoria Hotel.

Hongkong, July 28, 1893. 1171

TO LET.

DWELLING HOUSES—
BURNBRAE, GLENBALLY,
THE WILDERNESS, CAINE
ROAD,
NORMAN COTTAGE, ROBINSON
ROAD.

No. 4, RUPERT TERRACE, Bonham
Road.

No. 2, 3, and 4, CHANCERY LANE,
FLOORS IN BLUE BUILDINGS.

FLOORS IN ELOIN STREET, FEEL
STREET and STATION STREET,
FLYING in No. 5, SHELLY
STREET.

No. 14, KUTSFORD TERRACE, Kow-
loon.

No. 4, VICTORIA VIEW, Kowloon,
No. 11 and 12, COOMBE ROYAL,
MAGAZINE GATE—FURNISHED.

OFFICES—
FIRST and SECOND FLOORS No.
4, Queen's Road Central, over the
BANK OF CHINA, JAPAN & STRAITS
LTD.

PRATA CENTRAL, over Messrs.
DOUGLAS LAPRAK & Co. s.

GODOWNS—
BLUE BUILDINGS.

Apply to

THE HONGKONG LAND INVEST-
MENT & AGENCY Co., Ltd.

Hongkong, September 1, 1893. 1393

TO LET.

THE HOUSE No. 30, ELOIN STREET,
Rent moderate.

For Terms, apply to

THE MEDICAL HALL

Hongkong, September 5, 1893. 1554

TO LET.

NO. 2, PEDDER'S STERKE, next to the
Post Office—suitable for OFFICES
or CHAMBERS.

Apply to

G. C. ANDERSON,
13, Praya Central.

Hongkong, March 1, 1893. 300

TO LET.

N. 3, WEST TERRACE.

Apply to

G. C. ANDERSON,
13, Praya Central.

Hongkong, May 31, 1893. 373

To-day's Advertisements.

THE FUNJOM MINING COMPANY,
LIMITED.

NOTICE.

SHAREHOLDERS are requested to
PAY the CALL of 50 CENTS per
share on the Ordinary Shares in the above
Company, standing in their Names on the
REGISTER of the Company, and to note that
this was Due on the 3rd instant.

A. O. GOURDIN,
Secretary.

Hongkong, September 12, 1893. 1696

NOTICE TO MARINERS,
No. 35 (SPECIAL).

CHINA SEA.

SOUTHERN ENTRANCE TO THE
YANGTZE.

Fairway Bell Buoy replaced in position.

NOTICE is hereby given that the FAIR-
WAY BELL BUOY has been replaced in
position with:

Gatlafl Lightship bearing South Mag-
netic.

Tungala Lightship bearing N. 60 W.
Magnetic.

A. M. BISBEE,
Coast Inspector.

Imperial Maritime Customs,
Coast Inspector's Office,

Shanghai, 5th September, 1893. 1593

NOTICE TO CONSIGNEES.

STEAMSHIP MACDUFF,
FROM NEW YORK & SINGAPORE.

CONSIGNEES of Cargo are hereby
informed that all Goods are being
landed at their risk into the Godowns of the
HONGKONG & KOWLOON WHARF & GODOWN
COMPANY, at Kowloon, whence and/or from
the Wharves delivery may be obtained.

Optional Cargo will be forwarded unless
to the contrary be given before Noon on
General.

Peshawur, British steamer, 2,133, J. T.
Jephcott, Shanghai September 9, Mails and
General. —P. & O. S. N. Co.

Cape Colonia, British steamer, 1,764,
Hugh J. Astor, Hongkong September 9, Coal
Jardine, Matheson & Co.

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General.

All Claims will be admitted after the
Goods have left the Godowns, and all Goods
remaining undelivered after the 18th Inst.
will be subject to rent.

All Claims against the Steamer must be
presented to the Underwriter on or before the
18th Inst., or they will not be re-
cognized.

All broken, chafed, and damaged Goods
are to be left in the Godowns, where they
will be examined on the 18th Inst., at 3 p.m.
No Fire Insurance has been effected.

Bills of Lading will be countersigned by

DODWELL, GARLILL & Co.,
Agents.

Hongkong, September 12, 1893. 1592

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SIEMSEN & Co.,
Hongkong, September 12, 1893. 1578

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DOUGLAS LAPRAK & Co.,
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Hongkong, September 12, 1893. 1578

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was no desire, he assured them, to interfere with the legitimate medical use of the drug. The Government sought simply to put down any evil which was patent to all in the abuse of morphine. The amendments he was proposed to move when the Council went into Committee on the Bill were to the effect of removing anything likely to infringe the rights of the public but would put a stop once and for all to this evil of injection of morphine which had spread amongst us.

There was no intention on the part of the Government to prevent the sale of medicines containing preparations of morphine, they all knew that there was a large number of household remedies which contained such preparations; and the definition of morphine had been so altered that he thought it would render the Bill satisfactory to all. The definition was—“Morphine shall include morphine and all salts of morphine and any solution thereof that can be used as an injection, but not preparations for ordinary internal use containing morphine as an ingredient but not suitable for purposes of injection.” The definition of opium, “Opium or opiate shall mean opium or druggish holding a European or American certificate of qualification.” Section 3 now provides for the administration of morphine by injection, the other forms of administration having been taken out; and the penalties under the Ordinance had been reduced to a fine of \$50 or imprisonment for two months. While the Ordinance sought to put down the administration of morphine in this Colony, there was no intention to interfere with the trade with the interior. In his concluding remarks, the Attorney General disclaimed that the present action of the Government was taken for the benefit of the Opium Farmers.

Dr Ho Kai seconded the motion, and urged the necessity for the bill being passed as speedily as possible in order to put down all the pernicious practices which were causing many victims.

Mr Chater expressed satisfaction with the alterations which the Attorney General said he intended to make in the bill, but was of opinion that it would be wise to leave it in committee in order that an opportunity might be given for considering these alterations.

The Colonial Secretary said the Government had not intended to take the third reading till next meeting.

Mr Whitehead concurred with Mr Chater and said he was glad to see the alterations he proposed to make in the bill had the approval of those who were more immediately concerned in the sale of morphine.

The Council then went into committee on the bill and the various alterations indicated by the Attorney General were made.

The Harbour Master pointed out that the bill not only prevented the injection of morphine by ignorant Chinese but also by intelligent Europeans, and it seemed rather a hardship that persons of the latter class could not make use of a hypodermic injection of morphine without paying \$5 to a doctor.

The Governor—Do you think any intelligent person would use it without medical advice?

The Harbour Master said he had used it himself, but if he did so after the passing of this Ordinance he would be liable to a penalty.

The Attorney General was sorry to hear that any member of the Council used morphine injections without a doctor's prescription and hoped the Ordinance would put a stop to it.

The Harbour Master said that it certainly would have effect, so far as he was concerned.

The bill was left in Committee and the Council adjourned till Monday, 18th inst.

THE TREASURY DEFALCATIONS.

THE SECRETARY OF STATE'S DISPATCH.

A long correspondence on the subject of the recent Treasury defalcations (which want of space prevents us from publishing at present), was laid on the Council table to-day. We give below a letter from the Colonial Secretary to the Colonial Treasurer (Mr N. G. Mitchell-Innes) and the Secretary of State's despatch on the results of its inquiry:—

(Colonial Secretary to Mr N. G. Mitchell-Innes)

Colonial Secretary's Office,

Hongkong, 11th April, 1893.

Sir.—I am directed to inform you that the Government has perused the Report of the Commission appointed to inquire into the Treasury defalcations, copy of which has been forwarded to you with my letter of even date, with extreme regret.

From the Report and the Evidence attached to it, His Excellency is unable to avoid the conclusion that you have continuously neglected the duties of your office. Quite irrespective of any obligations cast upon you by the Financial Instructions, it was your elementary duty as Treasurer not only to see that the revenue was promptly collected, but to see that when it reached your Office it was all immediately placed to the credit of the Government. This is, in fact, the primary duty of all Treasurers, and it was obviously the primary duty of the office to which you were appointed at the beginning of 1891, and for which you have since been drawing your salary. But the Governor, to his great surprise and regret, learns from the Report of the Commission, and the Evidence recorded by them, that so far as at present appears neither by checking your books, nor in any other way that could be discovered by the Commission, have you taken any steps to fulfil your duty of ensuring that the revenue which reached your Office was all placed to the credit of the Government. His Excellency further learns that the result of the neglect of duty on your part has been the misappropriation of public moneys in the Treasury, which commenced before you assumed charge, and continued undetected for years, and continued on a large scale during your term of office.

In these circumstances it has been His Excellency's painful duty to consider whether it was necessary in the public interest to interdict you from office pending the enquiry into and settlement of your case. His Excellency has decided that it is not necessary.

In view of the books having now been brought up to date, and of other circumstances, His Excellency is satisfied that there is no such risk of further misappropriations of public moneys in the Treasury, during the time that will be required for enquiring into and settling your case, as to necessitate your interdiction from office.

4. The Governor has next considered whether steps should be taken under the Colonial Regulations with a view to your suspension from office. On this point His Excellency has decided to let the matter before the Secretary of State, and I am to request you to so good as to furnish me of your early convenience with any explanation or statement that you may wish to be considered by the Secretary of State. The nature and bearing of the case, so far as it affects you, are sufficiently indicated in the Report of the Commission, and the Evidence attached to it, and the second paragraph of this letter; but I may briefly summarise them by stating that what

requires explanation on your part is your failure to discharge the ordinary and primary duty of your office as Treasurer in taking steps to secure the immediate payment to the credit of the Government of all Government moneys that reached your Office.

I have the honour to be, Sir, Your most obedient servant,

G. T. M. O'BARNES,
Colonial Secretary.

(Secretary of State to Governor.)

Downing Street, 29 July, 1893.

Sir.—I have given very careful consideration to your Conference despatch of the 26th of April last, reporting upon the various observations which have occurred in the Report of the Commissioners appointed to inquire into the matter, and of correspondence with Public Officers arising out of that Report.

2. It appears from these papers that Alves, the late first Clerk in the Treasury, embezzled in the course of the five years, 1888 to 1892, nearly \$63,000 of public money, and the circumstances which enabled him to do this are very clearly explained by the Commissioners, to whom the Colonial Government is indebted for a very extensive and clear Report. I concur in the conclusions as to the persons who by neglect or omission of duty, allowed the frauds to be committed. Omitting the names of minor delinquents, the officers chiefly to blame were:—

(i) The late Mr Lester, for authorising Alves to sign receipts, for engaging the Sheriff, who could not read English, and for failing to cause the Rent Roll to be made up at the proper time, although this omission was brought to his notice by Audit clerk.

(ii) Mr Wodehouse, sometime Acting Treasurer, for neglect in not causing the Rent Rolls of 1887, 1888 and 1889 to be made up at the proper time.

(iii) Mr May, who acted for a short time as Treasurer, and again neglect to which attention was drawn by the Auditor, Mr Nicoll.

(iv) Mr Mitchell-Innes, for not causing the Rent Rolls to be made up although his attention was similarly called to the matter by Mr Nicoll.

12. It seems to me doubtful whether the Sheriff, who receives public money, should be allowed to use private shops for stamping the receipts which are given to the public, and I should be glad to know whether shops could not be provided for them bearing, in addition to their own personal device, the Royal Crown or some suitable public emblem. A die-sinker would presumably hesitate to execute such a shop if asked to do so by a private person, as the presumption would at once arise that he desired to possess himself of a forged shop.

13. It occurs to me, further, that if the Receipts for Crown Rents and their counterparts are, as no doubt they are, numbered, and if, when a rent is received as paid in the Rent Roll, the number of the Receipts entered in the Rent Roll, the Auditor, would have no difficulty in detecting any forged shop.

(v) Mr Nicoll, for not reporting in writing to the Government the neglect of duty on the part of the Treasurer and Acting Treasurer, which prevented the Rent Roll from being charged its due date.

14. The officers whom the heaviest amount of blame must be attributed is unquestionably Mr Mitchell-Innes; and I regret to observe that he has not improved his position, and that these speculations were more or less matter of notoriety. I trust that the members of the Commission who were employed in the enquiry will be assumed to be incompatible with honest and honourable discharge of public duties.

15. I am not aware that there is any prudential reason why this despatch and the despatch to which it is an answer should be kept confidential, but leave the matter to your discretion.

I have the honour to be, Sir, your most obedient, humble servant,

W. STANTON,
W. QUINCY,
Inspectors.

(Minute by the Captain Superintendent of Police.)

Hongkong, 24, 1893.

Sir.—The Proposed Opium Ordinance of 1891, section 10, provides for the preparation and sale of prepared opium, and the word “preparation” by the interpretation clause in the Ordinance is stated thus: “the subjection of opium of any kind to any degree of artesian heat, for any purpose whatever shall be taken to be the preparing of such opium.”

In the latter part of section 10 it is provided that “no medical practitioner, chemist or druggist, nor being a Chinese, or being a native and having a European or American diploma, shall be prevented from preparing or selling opium for medical purposes by his predecessors, which, as it happens, have proved to be defective, and ascertaining that those arrangements were being faithfully observed by his staff.

3. As to the action to be taken in the case, I have to observe that whilst I consider it would be harsh to require Mr Mitchell-Innes to make good to the Colonial Government the full amount of the defalcation which occurred during his control of the Treasury, I must mark my sense of his shortsightedness, by directing that, as a condition of his remaining in the public service, he be required to pay into the Colonial Treasury a fine of \$1,000 which, if he prefers it, be paid in such instalments as you may think reasonable. It will also be my duty to convey to him a severe censure from me on his shortcomings in the conduct of his Department and his neglect to comply with the requirements of the Auditor.

6. Further, as he has not justified his selection for the headship of the Commission, he will be required to resign from his post. His Excellency has directed that, in the meantime, he be given a leave of absence, and that he be placed on half pay. His Excellency has decided that there is no such risk of further misappropriations of public moneys in the Treasury, during the time that will be required for enquiring into and settling your case, as to necessitate your interdiction from office.

8. As regards Mr Nicoll's share in the matter, I shall not interfere in the judgment of the Comptroller and Auditor General. It is, however, to be recognised that his position was a difficult one, and that as a novice to the Colony, called upon to investigate and carry out a system which there was strong local hostility, it is intelligible that he should have shrank from what might seem to others a needlessly rigid interpretation of his duties; and, after all, it was to him that the discovery of the frauds was ultimately due.

9. I presume that Alves' security bond has been enforced so as to recover a portion of the amount embezzled by him, and I take the opportunity of asking whether this course was actually taken in the Barbados case, in accordance with paragraph 11 of my predecessor's despatch No. 184 of the 11th of September, 1890.

10. I have observed with some surprise the confusion of mind exhibited by Mr Mitchell-Innes and others as to the relative responsibilities of accounting and auditing officers. Mr Mitchell-Innes, for instance, disposed a theory to advance a theory that it is not the duty of the Auditor alone to see that the duty of the Auditor alone to see that the Government is not defrauded of Revenue. The proper view of the responsi-

bilities of a Treasurer was set forth more than once, viz: (1) in Lord Balfour's despatch of the 11th of September, 1890 to which reference has just been made, (2) in the Financial Instructions, and (3) quite recently in my despatch No. 70 of the 21st of April last.

I trust that it has now been made perfectly clear to the public service of Hongkong that the Audit of Revenue by the Local Auditor is intended, not to relieve the Treasurer of responsibility, but to secure the performance of his duty, that the Auditor is responsible for the collection, receipt, and safe keeping of Government funds.

11. I observe that in your despatch of the 11th of September, 1890 to which reference has just been made, you directed that, if the Auditor finds that the Revenue is being defrauded by the public, it is prima facie evidence of neglect or laxity of duty on the part of the Treasurer, and that if the Treasury Staff ignore financial regulations and embezzle public funds, in course either of receipt or of payment, it is the Treasurer who will, unless in exceptional circumstances, be held responsible for ordinary internal use.

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